

SIGNIFICANT POINTS

- Employment is concentrated in large cities, especially New York City.
- Competition is keen for glamorous, high-paying professional positions.
- Layoffs are common when accounts are lost, major clients cut advertising budgets, or agencies merge.

Nature of the Industry

Firms in the advertising industry prepare advertisements for other companies and organizations and might also arrange to place them in print, broadcast, interactive, and other media. This industry also includes firms that sell advertising space for publications, radio, television, and the Internet. Divisions of companies that produce and place their own advertising are not considered part of this industry.

Companies often look to advertising as a way of increasing sales. Most companies do not have the staff with the necessary skills or experience to create effective advertisements; furthermore, many advertising campaigns are temporary, so employers would have difficulty maintaining their own advertising staff. Instead, companies commonly solicit bids from ad agencies to develop advertising for them. Next, ad agencies offering their services to the company often make presentations. If an agency wins the account, the real work begins. Various departments within the agency—such as creative, production, media, and research—work together to meet the client's goal of increasing sales.

There are over 21,000 advertising establishments in the United States. About 6 out of 10 write copy and prepare artwork, graphics, and other creative work, and then place the resulting ads in periodicals, newspapers, radio, television, or other advertising media. Within the industry, only these full-service establishments are known as *advertising agencies*. Many of the largest agencies are international, with a substantial proportion of their revenue coming from abroad.

About 3 out of 10 advertising firms specialize in a particular market niche. Some companies produce and solicit outdoor advertising, such as billboards and electric displays. Buses, subways, taxis, airports and bus terminals also frequently carry ads. A small number of firms produce aerial advertising, while others distribute circulars, handbills, and free samples.

Groups within agencies have been created to serve their clients' electronic advertising needs on the Internet. The Internet is a medium that fosters rapid growth of advertising and commercial activities. Advertisements often link users from one website to the company's or product's website where information such as new product announcements, contests, and product catalogs appear.

Some firms are not involved in the creation of ads at all; instead, they sell advertising time or space on radio and television stations or in publications. Because these firms do not produce advertising, their staffs are mostly sales workers.

In an effort to attract and maintain clients, advertising agencies are diversifying their services, offering advertising as well

as sales, marketing, public relations, and interactive media services. Advertising firms have found that highly creative work is particularly suitable for outsourcing, resulting in a better product and increasing the firm's profitability.

Working Conditions

Most advertising employees work in comfortable offices; however, long hours, including evenings and weekends, are common. Opportunities for part-time work are limited; in 1998, 9.7 percent worked part-time, compared to 15.9 percent of all workers.

Advertising work is fast-paced and exciting, but it also can be stressful. Being creative on a tight schedule can be emotionally draining. In addition, frequent meetings with clients and media representatives may involve substantial travel. Among all full-time advertising workers, almost one-quarter work 50 or more hours per week.

Employment

The advertising industry employed 268,000 workers in 1998. Although advertising firms are located throughout the country, they are concentrated in the largest cities: New York with the most firms, Chicago, and Los Angeles. Other top cities are Detroit, San Francisco, Minneapolis, Boston, and Dallas. Firms vary in size, ranging from one-person shops to international agencies employing thousands of workers. About 4 of 5 advertising firms employ fewer than 10 employees, somewhat higher than the proportion for all industries combined (chart).

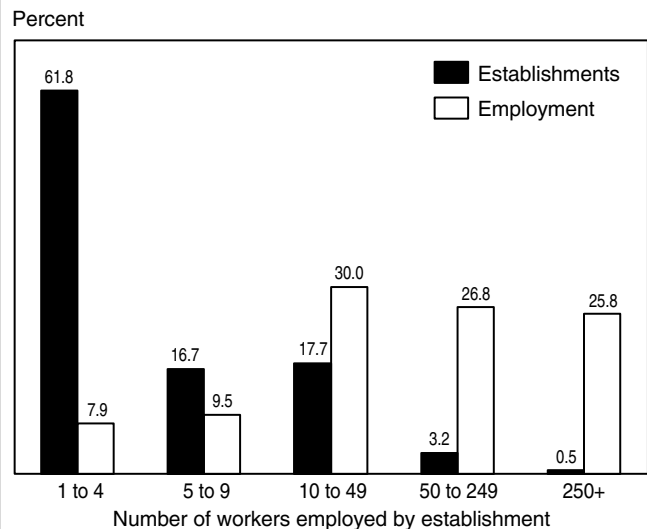
The small size of the average advertising firm demonstrates the opportunities for self-employment. It is relatively easy to open a small ad agency; in fact, many successful agencies began as one- or two-person operations. In 1998, 15 percent of all advertising workers were self-employed, compared to 9 percent of workers in all industries combined.

The median age of advertising workers is about 36, compared to nearly 39 for all workers. About 59 percent of advertising employees are 25 to 44 years of age, compared to 51 percent of all workers in the economy. Very few advertising workers are below the age of 20, which reflects the need for postsecondary training or work experience.

Occupations in the Industry

In advertising, managers and executives, professionals, sales workers, and administrative support workers account for 9 of every 10 jobs (table 1). Employees have varied responsibilities

About 4 out of 5 advertising firms employ fewer than 10 employees



Source: U.S. Department of Commerce, *County Business Patterns*, 1997

in agencies with only a few workers, and the specific job duties of each worker are often difficult to distinguish. Workers in relatively large firms specialize more, and therefore, the distinctions among occupations are more apparent.

Advertising agencies have five categories of jobs—account management, creative, media, research, and support services and administration. Account management links the agency and the client. It represents the agency to the client as well as the client to the agency. Account management brings business to the agency and is ultimately responsible for the quality of the advertisement. Account management workers carefully monitor the activities of the other areas to ensure that everything runs smoothly. *Account managers* and their assistants analyze competitive activity and consumer trends, report client billing, forecast agency income, and combine the talents of the creative, media, and research areas.

Working with the marketing idea that account management obtains from the client, the creative department brings the idea to life. Here, staff work together to transform a blank piece of paper into an advertisement. As the idea takes shape, *copywriters* and their assistants write the words of ads—both the written part of print ads as well as the scripts of radio and television spots. *Art directors* and their assistants develop the visual concepts and designs of advertisements. They prepare paste-ups and layouts for print ads and television storyboards, a cartoon style summary of how an advertisement will appear. They also oversee the filming of television commercials and photo sessions. Once completed, the ad is shown to the client. At this point, the job of the creative department could be over; however, based on the client's response, it is likely that the creative department staff will have to modify their ideas or develop an entirely different approach.

The *media department* is responsible for placing advertisements in the right place at the right time, so they will reach the desired audience for the least amount of money. *Media planners* gather information on the public's viewing and reading habits, and evaluate editorial content and programming to determine the potential use of media such as

newspapers, magazines, radio, television, or the Internet. The media staff calculate the numbers and types of people reached by different media, and how often they are reached. *Media buyers* track the media space and times available for purchase, negotiate and purchase time and space for ads, and make sure ads appear exactly as scheduled. Additionally, they calculate rates, usage, and budgets.

Table 1. Employment of wage and salary workers in advertising by occupation, 1998 and projected change, 1998-2008

(Employment in thousands)

Occupation	1998 Employment Number	1998 Percent	1998-2008 Percent change
All occupations	268	100.0	20.5
Executive, administrative, and managerial	71	26.3	25.8
Advertising, marketing, promotions, public relations, and sales managers	24	9.0	37.0
General managers and top executives	18	6.7	20.9
Financial managers	5	1.8	17.2
Buyers and purchasing agents	4	1.6	24.5
Accountants and auditors	4	1.4	17.1
Administrative support, including clerical	62	23.1	12.1
Secretaries, stenographers, and typists	10	3.7	-1.6
General office clerks	9	3.4	25.7
Bookkeeping, accounting, and auditing clerks	8	2.9	1.4
Office and administrative support supervisors and managers	8	2.8	21.1
Receptionists and information clerks	6	2.2	24.4
Production, planning, and expediting clerks	6	2.1	11.4
Professional specialty	61	22.6	27.4
Artists and commercial artists	23	8.7	16.3
Writers and editors, including technical writers	9	3.2	24.5
Actors, directors, and producers	5	1.8	37.0
Public relations specialists	5	1.7	26.9
Computer engineers and scientists	4	1.3	63.4
Systems analysts	3	1.0	86.8
Marketing and sales	49	18.4	15.2
All other sales and related workers	36	13.6	12.1
Models, demonstrators, and product promoters	7	2.5	23.6
Marketing and sales worker supervisors	6	2.2	24.5
Operators, fabricators, and laborers	12	4.4	20.1
Hand packers and packagers	3	1.2	24.5
Truck drivers	3	1.2	17.8
Precision, production, craft, and repair	9	3.5	24.4
Painters and paperhangers	3	1.3	24.5
All other occupations	4	1.6	11.2

Workers in the *research department* try to understand the wants, desires, motivations, and ideals of consumers, in order to produce and place the most effective advertising in the most

effective media. *Research executives* compile data, monitor the progress of internal and external research, develop research tools, and interpret and provide explanations of the data gathered. Research executives often specialize in specific research areas and perform supervisory duties.

Media salespeople sell air time on radio and television, and page space in the print media. They work in firms representing radio stations, television stations, and publications.

Support services and administration includes jobs ranging from janitors to administrative assistants to accountants and vary widely among agencies.

Training and Advancement

Most entry-level professional and managerial positions in the advertising industry require a bachelor's degree, preferably with broad liberal arts exposure. Beginners usually enter the industry in the account management or media department. Occasionally entry-level positions are available in the market research or creative departments of an agency, but these positions usually require some experience.

Completing an advertising-related internship while in school provides a definite advantage when applying for an entry-level position. In addition to an internship, courses in marketing, psychology, accounting, statistics, and creative design can help prepare potential entrants for this field.

Assistant account executive, the entry-level account management position in most firms, requires a bachelor's degree in marketing or advertising. At some agencies, a master's degree in business administration may be required.

Bachelor's degrees are not required for entry-level positions in the creative department. Assistant art directors usually need at least a 2-year degree from an art or design school. Although advantageous, assistant copywriters do not need a degree, but they must demonstrate superior communication skills and abilities.

Assistant media planner or assistant media buyer are also good entry-level positions, but almost always require a bachelor's degree, preferably with a major in marketing or advertising. Experienced applicants who possess at least a master's degree usually fill research positions. Often they have a background in marketing or statistics and years of experience. Requirements for support services and administrative positions depend on the job and vary from firm to firm.

Employees in the advertising industry should have good people skills, common sense, creativity, communication skills, and problem-solving ability. New media, such as the Internet, are creating new opportunities to market products, but also the need for additional training for those already employed. Keeping pace with technology and incorporating it are fundamental to success in the industry. Besides staying abreast of new technology, advertisers must keep in tune with the changing values, cultures, and fashions of the Nation.

Success in progressively responsible staff assignments usually leads to advancement to supervisory positions. As workers climb the organizational ladder, broad vision and planning skills become extremely important. Another way to get to the top in this industry is to open one's own firm. In spite of the difficulty and high failure rate, many find starting their own business personally and financially rewarding. When self-employed, advancement takes the form of increasing the size and strength of the company.

Earnings

In 1998, nonsupervisory workers in advertising averaged \$647 a week—significantly higher than the \$442 a week for all nonsupervisory workers in private industry. Earnings of workers in selected occupations in advertising appear in table 2.

Table 2. Median hourly earnings of the largest occupations in advertising, 1997

Occupation	Advertising	All industries
General managers and top executives ...	\$45.53	\$26.05
Marketing, advertising, and public relations managers	26.11	25.61
Writers and editors	18.31	15.69
Artists and related workers	16.74	14.89
Sales agents, advertising	15.68	14.16
First-line supervisors and managers/supervisors-clerical and administrative support workers ...	15.17	14.26
Secretaries, except legal and medical	11.89	11.00
Bookkeeping, accounting, and auditing clerks	11.54	10.80
General office clerks	9.23	9.10
Demonstrators and promoters	7.95	7.65

Outlook

Employment in the advertising industry is projected to grow 21 percent over the 1998-2008 period, faster than the average for all industries. Besides job openings created as an expanding economy generates more products and services to advertise, job openings will also arise as workers transfer to other jobs or stop working. Increased demand for advertising services will also stem from growth in the number and types of media outlets used to reach consumers. Opportunities will be good for people skilled in preparing material for presentation on the Internet.

Employment growth may be tempered by the increased use of more efficient technologies that could replace some workers. Competition for jobs will be keen because the glamour of the industry traditionally attracts many more job seekers than there are job openings. Employment also may be adversely affected if legislation further restricts advertising for specific products such as alcoholic beverages or via specific media such as billboards.

Sources of Additional Information

For information about careers or training contact:

- American Association of Advertising Agencies, 405 Lexington Ave., New York, NY 10174.
Internet: <http://www.aaaa.org>
- American Advertising Federation, 1101 Vermont Ave., NW., Suite 500, Washington, DC 20005.
Internet: <http://www.aaf.org>

Information on these occupations can be found in the 2000-01 *Occupational Outlook Handbook*:

- Advertising, marketing, and public relations managers
- Models, demonstrators, and product promoters
- Services sales representatives
- Visual artists
- Writers and editors, including technical writers